

New Delhi, 26th October, 2016

Sustained Performance

Dalmia Bharat Limited today announced its unaudited consolidated financial results for the Quarter ended September 30, 2016

Particulars (Rs. Crore)	Q2FY17	Q2FY16	Growth	H1FY17	H1FY16	Growth
Volume (in MnT)	3.42	2.85	20%	7.18	5.95	21%
Total Income from Operations	1,938	1,638	18%	3,958	3,471	14%
EBITDA	421	328	28%	929	723	28%
Profit Before Tax	112	76	47%	322	227	42%
Profit After Tax	31	12	150%	125	65	92%

EBITDA (Rs. / Tonne)	1,233	1,165	6%	1,299	1,228	6%
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EBITDA Margin	25%	23%	174 bps	27%	24%	285 bps
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Quarterly Performance

Total sales volume improved 20% YoY for the quarter which is approximately 5 times the industry's cement demand growth. We have maintained our growth higher than the market.

The company is focused towards ramping up existing capacities and creating newer markets while maintaining the lead distance. We ventured into U.P and M.P. in Q1 FY17 and the current quarter has witnessed further growth in sales volume in these markets and the ramp up has been encouraging. Our exports have improved by 3 times.

We expect established new markets to significantly contribute in coming quarters.

We maintained lower variable costs (**Rs. 1,253/T**) and have witnessed reduction of **13% YoY**. This has been on account of increased usage of economic fuel, optimization of raw material mix & kiln heat consumption, improved efficiency of power plants and lower power rates.

The Company further improvised logistics management through innovative measures – increasing direct sales, usage of higher capacity fleet and introducing customer friendly mobile apps. All this resulted into reducing handling costs and delivery time, easing delivery

process, ability to cater to customer specific demand & deliver in smaller lots resulting in improved sales volume.

On YoY basis, Our finance costs and depreciation are higher on account of commissioning of two new plants, Belgaum (Karnataka) and Umrangshu (Assam) units whereas our finance cost has decreased by 5% (QoQ basis)

The Company has strengthened its market leadership position across regions in last two years. Also the company now enjoys premium price positioning in almost all the markets.

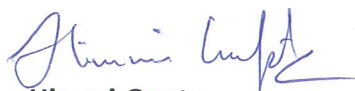
Launch of Dalmia DSP cement is a step forward towards customer centricity. We are seeing encouraging results in East where it was launched in Q1 FY17. Dalmia DSP has now been introduced in Southern market.

Outlook

Cement demand is at an inflexion point of enhanced growth. Structural developments are taking place and we expect the cement demand to be at the cusp of beginning of earlier peak cement cycle witnessed in 2008-2012. Focused capital outlay to projects/schemes - Housing for All scheme, development of smart cities and heritage sites, seventh pay commission implementation, enhanced pace of road construction, strengthening of railway connectivity & port capacity, mega power plants in pipeline, expected to act as major triggers to boost cement demand. Good monsoons in the current year after 3 years of rainfall shortage has already started showing pick up in rural demand.

We are committed towards creating pride in all stakeholders through transparent governance policies and deliver sustainable profitability through market leadership, cost optimization, innovation and brand value.

For Dalmia Bharat Limited



Himmi Gupta
Investor Relations